

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

REVIEW REPORT
OF

SILVERCREST CHILDREN'S DEVELOPMENT CENTER
INDIANA DEPARTMENT OF HEALTH
STATE OF INDIANA

January 1, 2001 to November 30, 2003

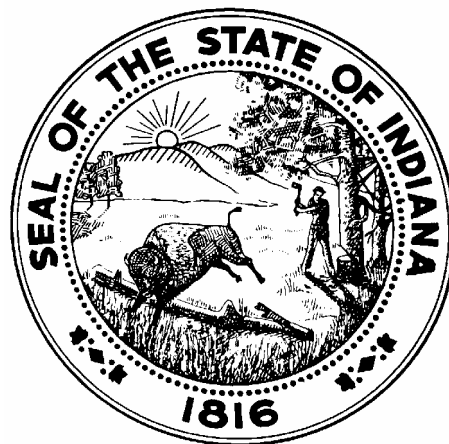


TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Agency Officials.....	2
Independent Accountant's Report.....	3
Review Comment: SDO Fund.....	4
Exit Conference.....	5

AGENCY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Commissioner, Indiana State Department of Health	Richard D. Feldman, M.D. Mary DePrez (Acting) Gregory Wilson, M.D.	01-13-97 to 01-05-01 01-06-01 to 02-11-01 02-12-01 to 01-10-05
Agency Director	Dennis J. Tomasallo	07-01-00 to 06-30-04



STATE OF INDIANA

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF SILVERCREST CHILDREN'S DEVELOPMENT CENTER

We have reviewed the receipts, disbursements, and assets of the Silvercrest Children's Development Center for the period of January 1, 2001, to November 30, 2003. Silvercrest Children's Development Center's management is responsible for the receipts, disbursements, and assets.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the receipts, disbursements, and assets. Accordingly, we do not express such an opinion.

Financial transactions of this office are included in the scope of our audits of the State of Indiana as reflected in the Indiana Comprehensive Annual Financial Reports.

Based on our review, nothing came to our attention that caused us to believe that the receipts, disbursements, and assets of the Silvercrest Children's Development Center are not in all material respects in conformity with the criteria set forth in the Accounting and Uniform Compliance Guidelines Manual for State Agencies, and applicable laws and regulations, except as stated in the review comment.

STATE BOARD OF ACCOUNTS

January 13, 2004

SILVERCREST CHILDREN'S DEVELOPMENT CENTER
REVIEW COMMENT

SDO FUND

Silvercrest Children's Development Center deposited local grant funds in their SDO bank account without authorization from the Treasurer of State. The Development Center in turn expended these local grant funds without the statutory oversight of the Auditor of State, State Budget Agency, or the Department of Administration.

We found no statutory authority for the Development Center to deposit grant funds in their SDO bank account without authorization from the Treasurer of State. We also found no statutory authority to expend public funds without the statutory oversight of the Auditor of State, State Budget Agency, or the Department of Administration.

Per IC 5-13-6-1: "... all public funds collected by state officers, other than the treasurer of state, shall be deposited with the treasurer of state, or an approved depository selected by the treasurer of state no later than the business day following the receipt of funds."

Per IC 4-13-2-7, the Auditor of State shall: "... Examine every receipt, account, bill, claim, refund, and demand against the state arising from activities carried on by agencies of the state, approve each legal, correct, and proper claim, designate the account to be charged therefor, and issue the auditor's warrant in payment thereof."

Each agency, department, institution or office is responsible for compliance with applicable statutes, regulations, contract provisions, state policies, and federal requirements. (Accounting and Uniform Compliance Guidelines Manual for State Agencies, Chapter 1)

State agencies do not have the authority to maintain funds outside of the Auditor of State's accounting system without specific statutory authority. (Accounting and Uniform Compliance Guidelines Manual for State Agencies, Chapter 3)

SILVERCREST CHILDREN'S DEVELOPMENT CENTER
EXIT CONFERENCE

The contents of this report were discussed on February 11, 2004, with Mr. Dennis J. Tomasallo, Director; Mrs. Sharon R. Griffin, Business Administrator; Mrs. Patricia Beard, Account Clerk II; and Mrs. Judith E. Whobrey, Account Clerk III. The officials concurred with our finding.